

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
WASHINGTON, D.C.

August 5, 1940.

To All Administrative Officers and State Committeemen,
Agricultural Adjustment Administration,
Southern Region.



Re: Combining Subdivisions 1 and 2 of
the Suspense Account on Forms 451.

This Division has been asked whether Subdivision 1 and Subdivision 2 of the Suspense Account provided for in section 218(c) of Cotton 408 - Part II may be combined on a single Form 451.

The two subdivisions of the Suspense Account may be combined if the procedure set forth below is observed. A separate Suspense Account, however, for unallocated long staple cotton must be kept and designated by the entry of the words "Long Staple" in the heading of Form 451.

1. Initial Preparation of the Suspense Account. A single Form 451 shall be used in the initial preparation of the Suspense Account. Additional sheets of Form 451 may be prepared later when the space available on the first Form 451 for recording unallocated cotton is exhausted. In the spaces provided, enter the designation of the marketing year, that is, "1940-1941", the State and county code number, and the number of the card. Above the title of Form 451 enter the legend "Suspense Account" or "Suspense Account - Long Staple", as the case may be.

2. Condition Under Which Unallocated Cotton Shall be Placed in the Suspense Account. Unallocated cotton shall be placed in the Suspense Account under the following circumstances:

(i) The cotton was reported by the ginner as produced in the county in which the gin is situated, or the ginner failed to indicate the county of origin, and the farm on which it was produced cannot be identified. In that event it shall be placed in the Suspense Account for the county in which the gin is situated. Such unallocated cotton shall be included in the balance period, or subdivision thereof, in which the gin report on which it was reported is included.

(ii) The cotton was included on an extract received from another county and the farm on which it was produced cannot be identified. In that event it shall be placed in the Suspense Account for the county receiving the extract until it can be returned to the county in which the extract originated. Such unallocated cotton shall be included in the balance period, or subdivision thereof, in which the extract on which it was reported is included.

(iii) The cotton was included on an extract and sent to the county in which it was reported by the ginner as produced and is returned by that county as unallocated cotton to the county in which the extract originated. In that event it shall be placed in the Suspense Account for the county to which the extract was returned. Such unallocated cotton shall be included in a separate subdivision of the balance period in which the return of the cotton was accomplished.

(iv) The cotton included on an extract received from another county and returned to that county as unallocated cotton is received again on another extract at the end of the ginning season because the county in which the extract originated was unable to identify the cotton with a farm. In that event the unallocated cotton shall be placed in the Suspense Account for the county to which the extract was resubmitted, that is, the county in which the ginner reported that the cotton was produced. Such unallocated cotton shall be included in the balance period, or subdivision thereof, in which the new extract on which it is reported is included.

3. Conditions Under Which Cotton shall be Removed from the Suspense Account. Cotton shall be removed from the Suspense Account under the following circumstances:

(i) The cotton is identified with the farm on which it was produced, whether the farm is in the county in which the Suspense Account was established or in another county. The cotton removed from the Suspense Account to be credited to farm records in the county shall be recorded in a separate subdivision of the balance period in which it is removed. The cotton removed from the Suspense Account and sent on an extract to another county should likewise be included in a separate subdivision of the balance period in which the extract is included (that is, the one in which it will be received by the other county).

(ii) The unallocated cotton was included in an extract received from another county and it is returned to that county (see (ii) above under which the cotton was placed in the Suspense Account). Such cotton shall be recorded in a separate subdivision of the balance period in which it is returned.

(iii) The unallocated cotton, which was included on an extract sent to another county and returned to the county in which the cotton was ginned as unallocated cotton, is resubmitted at the end of the ginning season to the county

in which the ginner reported that the cotton was produced because the cotton has not been identified with a farm (see (iii) above under which the cotton was placed in the Suspense Account). Such cotton shall be recorded in a separate subdivision of the balance period in which it is resubmitted and in which the new extract is included.

4. Posting Unallocated Cotton to the Suspense Account. Unallocated cotton shall be posted to the Suspense Account as follows:

(i) The information for each bale or lot of unallocated cotton shall be listed horizontally in columns 1 through 12, that is, the information for the first bale or lot of unallocated cotton will be entered on line 1 of columns 1 through 4; the information for the second bale on line 1 of columns 5 through 8, etc. The information for each balance period or subdivision thereof shall be listed on separate consecutive lines and the information to be included in two or more balance periods or subdivisions thereof should not be listed on the same line.

(ii) In column 1, 5, or 9 enter the gin serial number and gin report number. If the gin report is for a gin located in another county, the number of the gin and the gin report number shall be preceded by the code number of the State and county in which the gin is situated. If the unallocated cotton was reported on Forms 426, the gin serial number and gin report number shall be preceded by the letter "S".

(iii) In column 2, 6, or 10 enter the gin bale number or mark from column F of Form 416 or from the gin bale receipt or ticket. If cotton reported on Forms 426 is posted to the Suspense Account make no entry in columns 2, 6, and 10.

(iv) In column 3, 7, or 11 enter the net weight of the cotton or the gross weight of the cotton. (See item 19 of section 211(a) of Cotton 408 - Part II).

(v) In column 4, 8, or 12 make no entry if the net weight of the cotton was recorded in columns 3, 7, and 11. If the gross weight of the cotton was recorded in column 3, 7, or 11, record in column 4, 8, or 12 the weight of the bagging and ties as outlined in item 3 d. of section 218(b) of Cotton 408 - Part II. (Also see 1940 Cotton Marketing Quota Letter No. 4.)

(vi) In column 13 opposite the last bale or lot of unallocated cotton recorded as outlined above for a balance period, or subdivision thereof, enter the number of the balance period or subdivision thereof. The date of the balance period shall not be entered.

(vii) In column 14 opposite the number of the balance period enter the sum of the entries in columns 3, 7, and 11 for the balance period, or subdivision thereof.

(viii) In column 15 make no entry if the net weight of the cotton was recorded in columns 3, 7, and 11. If the gross weight of the cotton was recorded, enter in column 15 opposite the balance period number the weight of the bagging and ties determined in accordance with the procedure outlined in item 7 of section 218(b) of Cotton 408 - Part II.

(ix) In column 16 opposite the entry in column 14 enter the sum of the following:

(a) The entry in column 14 for the balance period, or subdivision thereof, plus

(b) The entry in column 16 for the immediately preceding balance period, or subdivision thereof.

(x) If column 15 was not executed, make no entry in column 17. If column 15 was executed, enter in column 17 opposite the entry in column 15 the sum of the following:

(a) The entry in column 15 for the balance period, or subdivision thereof, plus

(b) The entry in column 17 for the immediately preceding balance period, or subdivision thereof.

5. Posting Cotton Removed from the Suspense Account. When cotton is removed from the Suspense Account the balance period shall be subdivided so that the cotton removed from the Suspense Account will be posted in a separate subdivision of the balance period. The cotton removed shall be posted to farm records or sent on an extract to another county in the regular manner and included in the balance period, or subdivision thereof, in which the cotton was removed from the Suspense Account. Cotton removed from the Suspense Account shall be posted thereto as follows:

(i) Columns 1 through 12 of the Suspense Account shall be executed as provided in paragraph 4 above, with the exception that the information for the cotton removed from the Suspense Account shall be shown by a contra entry in red.

(ii) In column 13, opposite the last bale or lot of cotton removed from the Suspense Account during the subdivision of the balance period, enter the number and letter assigned to the subdivision of the balance period.

(iii) In column 14, opposite the number and letter of the subdivision of the balance period, make a contra entry in red for the sum of the amounts of cotton in columns 3, 7, and 11 which are being removed from the Suspense Account during the subdivision of the balance period.

(iv) In column 15 make no entry if, in posting cotton to the Suspense Account, the net weight of the cotton was recorded. If, in posting cotton to the Suspense Account, the gross weight of the cotton was recorded, the weight of the bagging and ties for the cotton being removed from the Suspense Account during the subdivision of the balance period shall be determined in the manner outlined in item 7 of section 218(b) of Cotton 408 - Part II and entered in column 15 as a contra entry in red.

(v) In column 16 of the Suspense Account opposite the entry in column 14 enter the amount by which the entry in column 16 for the immediately preceding balance period or subdivision thereof exceeds the entry in column 14 for the cotton being removed from the Suspense Account during the subdivision of the balance period. The entry in column 16 is not a contra entry and shall not be made in red.

(vi) If column 16 of the Suspense Account was executed, enter in column 17 opposite the entry in column 15 the amount by which the entry in column 17 for the immediately preceding balance period, or subdivision thereof, exceeds the entry in column 15 for the cotton being removed from the Suspense Account during the subdivision of the balance period. The entry in column 17 is not a contra entry and shall not be made in red.

6. Amount of Unallocated Cotton at the End of any Balance Period. The total net weight of unallocated cotton for the county at end of any balance period shall be the amount by which the cumulative total of column 16 exceeds the cumulative total of column 17 of the Suspense Account.

7. Amount of Unallocated Cotton for a Balance Period or Subdivision Thereof. The net weight of unallocated cotton placed in the Suspense Account during a subdivision of the balance period is the

amount by which the entry in column 14 for the subdivision of the balance period exceeds the related entry in column 15 of the Suspense Account. The net weight of cotton removed from the Suspense Account during a subdivision of a balance period is the amount by which the contra entry in column 14 for the subdivision of the balance period exceeds the related contra entry in column 15 of the Suspense Account. The net weight of the unallocated cotton for a particular balance period is the amount by which the credit (black) entries in column 14, minus the contra (red) entries therein, for the balance period exceeds the related credit (black) entries in column 15, minus the related contra (red) entries therein. If the contra entries for the balance period exceed the credit entries to the Suspense Account, the Suspense Account will show a net loss or reduction for the balance period.

Walter L. Randolph

Walter L. Randolph,
Acting Director, Southern Division

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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.

October 10, 1940.

To All Administrative Officers and State Committeemen,
Agricultural Adjustment Administration,
Southern Region.

Re: Summaries of gin reports on
forms Cotton 453.



This Division has been asked whether, in view of the information contained in form Cotton 457, "Letter of Transmittal and Receipt for Gin Report Extracts", it will be necessary to keep the following records:

1. Part II of the 215(b)-Report which is prepared on form Cotton 453.
2. Part II of forms Cotton 453 prepared for individual gins located in the county.
3. The 215(c)-Report which is prepared on forms Cotton 453.
4. Forms Cotton 453 for individual gins located in other counties from which extracts are received.

The information contained on the records on form Cotton 453 referred to above is also contained in the letters of transmittal on form Cotton 457. The records on form Cotton 453 referred to above may, therefore, be discontinued and forms Cotton 457 may be used in lieu thereof in determining the amount of cotton included on extracts sent to and received from other counties.

If the records on form Cotton 453 referred to above are discontinued, the reports to the State office required pursuant to section 215(d) of Cotton 408 - Part II should be prepared as follows:

(a) 215(b)-Report. Part I of the 215(b)-Report should be prepared as outlined in section 215(b) of Cotton 408 - Part II. A separate section of Part II of the report for each county to which extracts were furnished should be prepared by entering at the beginning of the section the name of the county to which the extracts were furnished and of the State in which it is situated. The information to be entered in each section of Part II of the report for each county to which extracts were furnished will be taken from the last letter of transmittal on form Cotton 457 sent to the particular county. The information from form Cotton 457 for that purpose will be obtained from Part III thereof, or from Part V thereof if the latter was executed on the last form Cotton 457 sent to the particular county. The information from the applicable Part of the last form Cotton 457 sent to each county should be transferred

to the total line of the section of Part II of the 215(b)-Report for the county as follows:

(i) In column (B) of form Cotton 453 enter the amount from the first line of column 3 of form Cotton 457. (This letter will refer, for the sake of brevity, only to the preparation of the 215(b)-Report for the Regular Report Division of the gin reports. In each case the information for the Long Staple Report, or the report of cotton produced in prior years, will be taken from the third and fourth lines, respectively, of the applicable column of form Cotton 457.)

(ii) In columns (C) through (E) of form Cotton 453 enter the related information as shown on the first line of columns 4 through 7 of form Cotton 457.

(iii) In column (F) of form Cotton 453 enter the amount from the first line of column 8 of form Cotton 457.

(iv) In column (G) of form Cotton 453 enter the amount from the second line of column 3 (or column 9) of form Cotton 457.

(v) In column (H) of form Cotton 453 enter the result obtained as follows: the amount on the first line of column 9 of form Cotton 457 plus the amount on the second line of column 3 (or column 9) thereof.

(vi) The entry in column (H) of form Cotton 453 must equal the result obtained by subtracting the amount in column (F) thereof from the amount in column (B) thereof, plus the amount in column (G) thereof.

(b) 215(c)-Report. A 215(c)-Report should be prepared on form Cotton 453 for each county from which extracts were received. The heading of the forms Cotton 453 for that purpose should be prepared as outlined in items 1, 2, and 3 of section 215(c) of Cotton 408- Part II. The remaining information to be shown on the 215(c)-Report for each county from which extracts were received shall be taken from the last letter of transmittal on form Cotton 457 received from the particular county. The information from forms Cotton 457 for that purpose will be obtained from Part III thereof, or from Part V thereof if the latter was executed on the last form Cotton 457 received from the particular county. The information from the applicable Part of the last form Cotton 457 received from each county should be transferred to the total line of the 215(c)-Report for the county. The information should be transferred in accordance with the procedure outlined in (a) above, with the exceptions that no entry will be made in column (I) of form Cotton 453 and that the entry to be made in column (J) thereof will be the same as the entry in column (H) thereof.

If the records on form Cotton 453 referred to above are not discontinued, the totals of the several columns of the 215(b)-Report and the 215(c)-Report should be compared with the information on the letters of transmittal on form Cotton 457 prior to the time the reports are forwarded to the State office in accordance with section 215(d) of Cotton 408 - Part II. The comparison of the information on the 215(b)-Report and the 215(c)-Report with the information on forms Cotton 457 will enable the county to determine whether its records of cross-county ginnings are in agreement with the records of the other counties.

I. W. Duggan

I. W. Duggan,
Director, Southern Division.

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UNITED STATES DEPARTMENT OF AGRICULTURE
Agricultural Adjustment Administration
Washington, D. C.

September 12, 1940.

To All Administrative Officers and State Committeemen,
Agricultural Adjustment Administration,
Southern Region.



Re: Posting Control Sheet

In connection with the 1940 cotton marketing quota work, a definite need exists in the counties for the maintenance of a Control Sheet on which will be recorded the essential data involved in striking a balance of postings of cotton production. The attached Control Sheet, with examples inserted, is designed for this specific purpose as well as to serve as a guide to county office employees in determining whether postings have been properly made. An understanding of this Control Sheet will also aid the employee in grasping the theory of accounting used in connection with cotton marketing quotas.

The object of the system of accounting used is to extract to the proper county cotton reported as having been produced outside the county where it was ginned; to post each individual bale or lot of cotton reported as having been produced in the county to the accounts (form 451) established for the farms located in the county, or, if reported as having been produced in the county but the individual farm on which it was produced cannot be ascertained, to the suspense account. Consequently, the primary sources of all entries are (1) gin reports received from gins located in the county and (2) extracts received from other counties. Columns 3, 4, 5, and 6 of the Control Sheet relate to reports received from gins located in the county, and columns 7 and 8 relate to extracts received from other counties. In other words, column 3 represents the total net weight of cotton shown by the gin report and column 4 represents the amount of cotton extracted to other counties. Column 5 represents that cotton which was extracted to another county and returned to the county where the cotton was ginned as unallocated cotton. Column 6 represents cotton which was posted to a farm account on form 451 or to the suspense account in the county where the cotton was ginned and later removed therefrom and sent on an extract to another county. This would include cotton originally extracted to another county and returned as unallocated cotton to the county where it was ginned and later reextracted to the same or to another county. All extracts received from another county are recorded in column 7. Column 8 represents extracts which were received and returned as unallocated cotton to the county where the cotton was ginned. All of these, as represented by such columns, for purposes of posting, are sources of information posted to forms 453, 457, and 451. The execution of the Control Sheet is explained by treating each type of source of entry separately. It is assumed that the net weight of cotton ginned is posted to form 451. However, if the

gross weight of bales is posted to form 451, in applying this letter, if it is stated that an entry is to be taken from column 14 of such form, it will be necessary that the net weight be computed by deducting the weight of bagging and ties in column 15. It is to be borne in mind that gin reports and extracts received which are included in a particular balance period may each be assigned a separate subdivision of the balance period or several such gin reports or extracts received may be included in a single subdivision. It is more practical to assign a separate subdivision to each gin report and each extract received. If a separate subdivision of the balance period is assigned to each gin report and each extract received, the efficiency and accuracy in posting and striking a balance will be much improved. A separate subdivision of the balance period is required to be assigned to each canceled (or returned) extract received, each canceled (or returned) extract sent to another county, and each late extract sent to another county.

A. Reports for Gins Located in the County.--When a gin report is received and extracts are prepared and sent to other counties and the subdivision of the balance period has been assigned, entries on the Control Sheet may be made as follows:

1. Enter in column 1 the balance period or subdivision thereof. Comment: If several gin reports are included in the same subdivision of the balance period, the entries to be made on the Control Sheet should be the sum of like entries for all such gin reports as, for example, the entry to be made in column 3 of the Control Sheet would be the sum of the amounts shown in column K, line 1, plus column N, line 1, of all gin reports included in the subdivision of the balance period.
2. Enter in column 2 the gin serial number followed by the gin report number. If the comment **under 1** above is applicable, make no entry.
3. Enter in column 3 the net weight of the cotton included in the report. This entry is taken from column K, line 1, plus column N, line 1, of the form 416 or, if form 416A was used, from column A, line 1, plus column D, line 1.
4. Enter in red in column 4 the net weight of the extracts prepared from the gin report and sent to other counties. This entry is taken from column K, line 2, plus column N, line 2, of form 416 or, if form 416A was used, from column A, line 2, plus column D, line 2.

5. Enter in column 9 the result obtained by subtracting the entry in column 4 from the entry in column 3. This entry represents the net weight of cotton produced in the county as shown by the gin report.
6. After the gin report has been recorded on form 453 for the gin, enter in column 10 the entry for the gin report in column J of Part I of the form 453 for the gin.
7. Enter in column 13 the entry made in column 10 in accordance with item 6 above.
8. After the gin report has been posted to forms 451, and before the forms 451 to which postings were made are shifted back from the right side of the file container to the position in which they were on the left side of the file container before the postings were made, enter in column 14 of the Control Sheet the amount shown in column 14 of the balance sheet on form 451 for the subdivision of the balance period.
[Comment: If two or more gin reports and extracts are included in the same subdivision of the balance period, this entry and entries in columns 15 and 16 of the Control Sheet for the subdivision of the balance period will represent the sum of postings from all of such gin reports and extracts.]
9. Enter in column 15 of the Control Sheet the amount, if any, entered in column 14 of the suspense account on form 451 for the subdivision of the balance period.
[Comment: If subdivisions 1 and 2 of the suspense account are combined in accordance with 1940 Cotton Marketing Quota Letter No. 6, the entry would nevertheless be taken from column 14 for the subdivision of the balance period.]
10. Enter in column 16 the sum of the amounts in columns 14 and 15 on the same line. [Comment: It will be seen that the entries for the subdivision of the balance period in columns 9, 13, and 16 should agree, since each represents the net weight of cotton produced in the county according to the source of the entries, which is the gin report or reports included in the subdivision of the balance period. If such entries agree, the postings from the gin reports may be considered correct.]

B. Extracts Received from Another County.--When an extract is received from another county, and the subdivision of the balance period has been assigned, entries on the Control Sheet may be made as follows:

1. Enter in column 1 the balance period or subdivision thereof. [Comment: The comment under A 1 above is applicable in principle to extracts received from other counties and included in the same subdivision of the balance period and also to gin reports and extracts received which are together included in the same subdivision of the balance period; that is, the entries on the Control Sheet will be representative of the sum of such gin reports and extracts received.]
2. Enter in column 2 the State and county code of the county from which the extract was received, followed by the gin serial number and the report number. If the comment under 1 above is applicable, make no entry.
3. Enter in column 7 the net weight of the cotton included in the extract. This entry is taken from column K, line 1, plus column N, line 1, of the extract received.
4. Enter in column 9 the entry made in column 7 in accordance with item 3 above. If the extract received was included in a subdivision of the balance period in which gin reports from gins located in the county were also included, the entry in column 9 will be equal to the result obtained as follows: column 3 minus column 4 plus column 7.
5. Enter in column 11 the net weight of the cotton as shown in Part I of the form 457 received in connection with the extract. This entry will be the sum of the entries in column 9 on the lines opposite the words "Regular" and "Seed Cotton" of Part I of the form 457. [Comment: If form 453 for gins located in other counties has not been eliminated, as provided in 1940 Cotton Marketing Quota Letter No. 7, this entry may be taken from column J for the extract.]

6. Enter in column 13 the entry made in column 11, in accordance with item 5 above. If an extract received was included in a subdivision of the balance period in which gin reports from gins located in the county were also included, entries would appear in columns 10 and 11 and the entry in column 13 would be the sum of such entries.
7. After the extract has been posted to forms 451 and before the forms 451 to which postings were made for the subdivision of the balance period are shifted back to the position in which they were before the postings were made, enter in column 14 of the Control Sheet the amount shown in column 14 of the balance sheet on form 451 for the subdivision of the balance period. [Comment: The comment under A 8 above is also applicable to extracts received.]
8. Enter in column 15 of the Control Sheet the amount shown in column 14 of the suspense account for the subdivision of the balance period.
9. Enter in column 16 of the Control Sheet the sum of the amounts in columns 14 and 15 on the same line. [Comment: If the entries in columns 9, 13, and 16 agree, the postings from the extracts included in the subdivision of the balance period may be considered correct.]

C. Canceled Extracts Returned to the County.--When cotton included in an extract sent to another county is returned as unallocated cotton, the returned or canceled extract, when received, is required to be placed in a separate subdivision of the balance period. After such subdivision of the balance period has been assigned, entries on the Control Sheet may be made as follows:

1. Enter in column 1 the subdivision of the balance period.
2. Enter in column 2 the gin serial number followed by the report number of the gin report from which the original extract was prepared.
3. Enter in column 5 the net weight of the cotton included in the returned extract. This entry is taken from column K, line 1, plus column N, line 1, of the returned extract.

4. Enter in column 9 the entry made in column 5 in accordance with item 3 above.
5. After the returned extract has been recorded on form 453 for the gin, enter in column 10 of the Control Sheet the entry for the returned extract in column J of Part I of form 453 for the gin.
6. Enter in column 13 the amount entered in column 10 in accordance with item 5 above.
7. After the returned extract has been posted to forms 451 and before such forms to which postings were made are shifted back to the position in which they were before the postings were made, enter in column 14 of the Control Sheet the amounts shown in column 14 of the balance sheet on form 451 for the subdivision of the balance period. [Comment: Normally, all cotton included on a returned extract will be posted to the suspense account because at that time the farm on which the cotton was produced has not been ascertained and, therefore, no entry would appear in column 14 of the balance sheet. However, if the farm on which the cotton was produced is then known and it is located in the county, it would be posted to the form 451 for the farm and the sum of the cotton so posted to forms 451 for all such farms would appear in column 14 of the balance sheet.]
8. Enter in column 15 of the Control Sheet the amount shown in column 14 of the suspense account for the subdivision of the balance period.
9. Enter in column 16 of the Control Sheet the sum of the amounts in columns 14 and 15 on the same line. [Comment: If the entries in columns 9, 13, and 16 agree, the postings from the returned extracts may be considered correct.]

D. Late Extracts Sent to Other Counties.--When cotton posted to a farm account on form 451 or to the suspense account in the county where the cotton was ginned is removed therefrom and sent to another county on an extract and the subdivision of the balance period has been assigned to such late extract, entries on the Control Sheet may be made as follows:

1. Enter the subdivision of the balance period in column 1.
2. Enter in column 2 the serial number of the gin report followed by the gin report number.
3. Enter in red in column 6 the net weight of the cotton included in the late extract. This entry is taken from column K, line 1, plus column N, line 1, of the late extract. /Comment: This entry and other entries under this part D should be in red for the reason that they are contra or debit entries, representing a reduction in the amount of cotton reported as produced in the county. When cotton is extracted to another county, it is deducted from the amount on the gin report, leaving the net produced in the county. If any of the extracted cotton is returned to the county in which it was ginned, it is added to the net produced in the county. If any such cotton is reextracted to the same or to another county, it is deducted again from the net produced in the county where it was ginned.]
4. Enter in red in column 9 the entry made in column 6 in accordance with item 3 above.
5. Enter in red in column 10 of the Control Sheet the amount entered in red for the subdivision of the balance period in column J of the form 453 for the gin. /Comment: It should be borne in mind that when a returned extract is received a contra entry in red is made in column I of form 453 and a black entry is made in column J of the form 453 for the gin. If a late extract is made, a black entry is made in column I and a red entry is made in column J of the form 453 for the gin.]
6. Enter in red in column 13 the amount entered in column 10 in accordance with item 5 above.
7. Enter in red in column 14 of the Control Sheet the amount, if any, shown in red in column 14 of the balance sheet on form 451 for the subdivision of the balance period. /Comment: If it is found that cotton posted on form 451 for a farm was in fact produced on a farm in another county, the correction is made by making a contra entry in red on the form

451 and likewise on the balance sheet, and then sending a late extract to such other county.

8. Enter in red in column 15 of the Control Sheet the amount shown in column 14 of the suspense account on form 451 for the subdivision of the balance period.
9. Enter in red in column 16 of the Control Sheet the sum of the amounts in columns 14 and 15 on the same line. Comment: If the red or minus entries in columns 9, 13, and 16 agree, the postings from the late extract may be considered correct.

E. Canceled Extracts Returned to Other Counties.--When cotton included on an extract received from another county is returned as an extract of unallocated cotton (see item 2 of section 214 of Cotton 408-Part II) and the subdivision of the balanced period has been assigned to such returned or canceled extract, entries on the Control Sheet may be made as follows:

1. Enter in column 1 the subdivision of the balance period.
2. Enter in column 2 the State and county code followed by the gin serial number and the report number.
3. Enter in red in column 8 the net weight of the cotton included in the canceled extract being sent to the other county. This entry is taken from column K, line 1, plus column N, line 1, of the canceled extract. Comment: This entry and other entries under this part E should be in red for the reason that they are contra or debit entries. When cotton is received on an extract, it is added to the net produced in the county. If it is found that some or all of such cotton was not produced in the county, it is to be deducted from the net produced and returned to the extracting county.
4. Enter in red in column 9 the amount entered in column 8 in accordance with item 3 above.
5. Enter in red in column 12 of the Control Sheet the net weight of the cotton as shown in Part IV of the form 457 received from the extracting county acknowledging receipt of the unallocated cotton returned to such county. This entry will be the sum of the entries in column 9 on the lines opposite the words "Regular" and

"Seed Cotton" of Part IV of the form 457. [Comment: When unallocated cotton included on an extract is returned to the county where the cotton was ginned, such county is to record the canceled extract on the next form 457 prepared and sent to the returning county. If two or more canceled extracts were sent to the county where the cotton was ginned and acknowledgment is made on the same form 457, only that part representing the canceled extract being posted should be entered in column 12 of the Control Sheet on the line for such extract. In connection with the acknowledgment on form 457, see 1940 Cotton Marketing Quota Letter No. 5.]

6. Enter in red in column 13 the amount entered in column 12 in accordance with item 5 above.
7. Enter in red in column 15 of the Control Sheet the amount shown in column 14 of the suspense account on form 451 for the subdivision of the balance period. [Comment: It is to be borne in mind that when any cotton included in an extract received from another county cannot be posted to a farm account on form 451 for the reason that the farm on which it was produced cannot be ascertained, such cotton is required to be posted to subdivision 1 of the suspense account. When it is returned to the extracting county, it is required to be posted to subdivision 2 of the suspense account. If the two divisions of the suspense account are combined, the entry made in the account upon the return of the cotton is a contra entry in red.]
8. Enter in red in column 16 the amount entered in column 15 in accordance with item 7 above. [Comment: If the red entries in columns 9, 13, and 16 agree, the postings from the returned extract may be considered correct.]

F. Removing Cotton from the Suspense Account and Posting to Farm Accounts on Form 451.--When cotton is removed from the suspense account and posted to forms 451 for farms, a separate subdivision of the balance period is to be assigned to the transaction. Entries should be made on the Control Sheet as follows:

1. Enter in column 1 the subdivision of the balance period.

2. Enter in black in column 14 of the Control Sheet the amount shown in column 14 of the balance sheet on form 451 for the subdivision of the balance period.
3. Enter in red in column 15 of the Control Sheet the amount shown in column 14 of the suspense account for the subdivision of the balance period.
4. Enter a zero in column 16 of the Control Sheet.
Comment: Since in this situation the entry in column 14 is a black entry and the entry in column 15 is a red entry, both of which should be in the same amount, if the transfer between accounts was made correctly, a zero should appear in column 16, and no entry would appear in columns 2 through 13 because the total amount of cotton reported as produced in the county is unchanged.

G. Removing Cotton from a Farm Account on Form 451 to the Suspense Account.--When cotton is removed from a farm account on form 451 and posted to the suspense account, a separate subdivision of the balance period should be assigned to the transaction. Entries should be made on the Control Sheet as follows:

1. Enter in column 1 the subdivision of the balance period.
2. Enter in red in column 14 of the Control Sheet the amount shown in red in column 14 of the balance sheet on form 451 for the subdivision of the balance period. Comment: When cotton is removed from a form 451 for a farm to the suspense account, a red entry is made on the form 451 for the farm and also on the balance sheet, and such amount is then credited to the suspense account.
3. Enter in black in column 15 of the Control Sheet the amount shown in column 14 of the suspense account on form 451 for the subdivision of the balance period.
4. Enter a zero in column 16 of the Control Sheet.

H. Removing Cotton from one Form 451 for a Farm to a Form 451 for Another Farm.--No entries are to be made on the Control Sheet for this type of situation since the transfer, if made correctly, will not change the total amount of the cotton posted to farm accounts. The amounts debited to certain farm accounts should exactly offset the amounts credited to other farm accounts.

I. Summary.--As soon as all gin reports and extracts of whatever kind included in a balance period are recorded in columns 1 through 9, the totals of columns 3 through 9 should be taken and entered on a line representing the totals for the balance period and so identified in column 1 of the Control Sheet. This operation will be completed whether or not all such gin reports and extracts have been posted to farm accounts and suspense accounts on forms 451 or to forms 453. Recordings will be made in columns 10 through 13 and 14 through 16 as the individual gin reports and extracts, or groups thereof, included in a particular subdivision of the balance period, are posted and balanced. After all gin reports and extracts included in the balance period are posted and recorded in columns 10 through 13 and 14 through 16, the totals of such columns should be taken and entered on the line for the totals of the columns for the balance period. It will be observed that totals of columns 3 through 9 may be taken, although postings in columns 10 through 16 have not been completed. The Control Sheet will reflect the status of the work at the close of the balance period. Because of this feature, the Control Sheet will be of much assistance in executing Form Cotton 466. The entry in column 9 on the line for totals of the balance period should be equal to the algebraic sum of the entries on the same line in columns 3 through 8; the entry in column 13 on such line should be equal to the algebraic sum of the entries on the same line in columns 10 through 12; and the entry in column 16 on such line should be equal to the algebraic sum of the entries on the same line in columns 14 and 15. If the entries in columns 9, 13, and 16 are in agreement, the postings for the balance period may be considered correct.

In view of the fact that in some counties ginning is about complete, it is not required by this Division that the Control Sheet be executed. However, it is strongly urged that every county execute it according to these instructions. You may desire that its execution be required in your State. The balances that counties are required to make under the instructions involve the same process. The Control Sheet provides a form on which the balances can be recorded and it is felt that its use will save time and improve the efficiency of controlling the marketing quota work. Every county should want to make it a part of its regular marketing quota records.

The Control Sheet will not be printed. Mimeographed copies can be made by the State office and distributed, or each county may be required to mimeograph or prepare a supply for its use.

I. W. Duggan

I. W. Duggan,
Director, Southern Division.

CONTROL SHEET

COTTON MARKETING QUOTAS

1940-1941 MARKETING YEAR

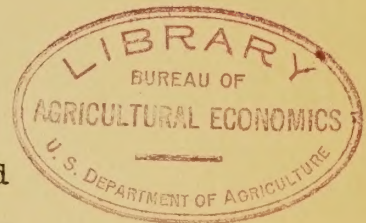
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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.

October 10, 1940.

To All Administrative Officers and State Committeemen,
Agricultural Adjustment Administration,
Southern Region.



Re: Time for submitting 215(b)-Reports and
215(c)-Reports to the State office.

Section 215(d) of Cotton 408 - Part II provides that, not later than December 15, 1940, copies of the 215(b)-Report and the 215(c)-Report, reflecting the status of the gin reports received through the balance period ending November 30, 1940, are to be forwarded to the State office.

The instructions in that connection should be modified to the extent that the 215(b)-Reports and 215(c)-Reports are to reflect the status of the gin reports received through the balance period ending December 15, 1940. The 215(b)-Reports and 215(c)-Reports should be forwarded to the State office as otherwise provided in the instructions as soon as possible after December 15, 1940. In no event should the reports be forwarded later than the time required for the reports to be received in the State office before the close of business on December 30, 1940.

The change in this respect is necessary so that the reports will conform to the reports of other governmental agencies which are compiled on the basis of ginnings through November 30, 1940. The new time limits must be strictly observed by each county office by reason of the fact that the data contained in the 215(b)-Reports and 215(c)-Reports will be used in connection with determining 1941 county normal yields. County normal yields will be determined during the month of January 1941.

I. W. Duggan

I. W. Duggan
Director, Southern Division.

1940 Cotton Marketing Quota Letter No. 10

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.

November 7, 1940.

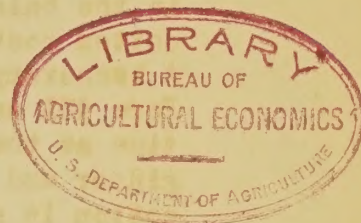
To All Administrative Officers and State Committeemen,
Agricultural Adjustment Administration,
Southern Region:

Re: Acceptability of Form Cotton 422

It is anticipated that in some cases the amount of cotton shown on Form Cotton 422 executed and filed by a farm operator will not be in exact agreement with the reports received from ginners and the amount of cotton posted to Form 451 for the farm. This may be due to the fact that the operator has reported in column 3 of Part I of Form 422 the weight of the seed cotton prior to ginning rather than the weight of the bales, or for other reasons.

The primary purpose of the report on Form 422 is to enable the county office to verify the accuracy and completeness of the amount of cotton credited to Form 451 for the farm. If, by a comparison of the report with the Form 451, it may be determined that all cotton ginned and all seed cotton marketed has been reported by the ginner and credited to the farm, it would seem that the purpose of the report has been accomplished, although the report was not executed strictly in accordance with instructions. In such event, the purpose of the report having been served, it is felt that the operator should not be put to the inconvenience of reexecuting the Form 422. An example of such a case would be where the operator shows in column 2 of Part I of the Form 422 the serial number of every bale or the total number of bales produced on the farm in 1940 and in column 3 shows, instead of the gross weight of the bales, the weight of the seed cotton before ginning. By comparing the report with the Form 451 it can be determined by checking the bale numbers or the number of bales whether all cotton ginned has been reported by the ginner. Assuming that the seed cotton marketed and on hand is properly shown on the report, no useful purpose would be served by requiring the operator to reexecute the Form 422.

It is not intended that the county committee should relax the requirement that Form 422 be submitted showing all cotton produced, but that, so long as the report shows the desired information, the committee should not insist upon its reexecution since to do so would serve no useful purpose and only prove vexatious to the producer. Of course, if the report is ambiguous or is not in such form as to enable the county office to determine the accuracy of its records, the committee should require the producer to reexecute the form or to furnish sufficient information to reconcile the records.



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In many cases Form 422 will be submitted showing that the producer still has some seed cotton on hand. In cases of this kind, the Form 422 may be accepted as final if the committee has no reason to doubt that it is accurate and complete, but the amount of such seed cotton on hand should not be posted to the Form 451 and included in the balance for any period since to do so would throw the total cotton posted to farm accounts out of balance with the gin reports. A temporary notation should be made in pencil on the last line of the Form 451 as to the estimated lint turnout of such cotton pending such time as the cotton is sold in the seed or ginned and reported by the ginner and posted to the Form 451 in the regular manner. If the cotton is not reported by the ginner, the amount of the estimated lint turnout will be added to the other cotton for the purpose of determining the actual yield for the farm.

I. W. Duggan

I. W. Duggan,
Director, Southern Division.